



How SECT Works

The Main Sector Rotation ETF (SECT) is managed from the top-down in a tax-aware manner – using primarily passive sector and industry-based ETFs – paired with a bottom-up approach by focusing on fundamentals, valuations, and industry trends.



START: FUNDAMENTALS

The first step of the investment process is to identify sector, industry, and sub-industry ETFs that appear undervalued relative to history and the rest of the market based on valuation and growth metrics.

NEXT: CATALYSTS

The second step is to identify an appropriate catalyst or macroeconomic trend that may help close that valuation discount and lead to price appreciation. It also has the ability to tactically write covered calls on a portion of the portfolio with the goal of potential additional income.

Where It Fits

- A core, diversified equity holding within a portfolio
- Maintains market exposure with tilts towards favorable sectors & industries

CURRENT OVERWEIGHTS

MATERIALS



Margins coming off cycle lows with room for mean reversion and accelerating earnings growth — NTM EPS estimates have risen from 21% to 27% over the quarter. Data center and hyperscaler buildouts, defense modernization, and factory expansion all require real-economy inputs, while U.S. re-industrialization broadly favors asset-heavy sectors. The sector trades at a discount to the S&P 500 on a forward P/E basis.*

INDUSTRIALS



Data center construction, defense modernization, and broader re-industrialization continue to support durable demand for physical infrastructure and services — and the current capex cycle is structural, not cyclical. AI infrastructure buildout, reshoring, and government-led investment are driving sustained capital allocation toward asset-heavy sectors, and Industrials has historically been one of the S&P 500's more reliable long-term compounders.*

GROWTH SECTORS



During the quarter, the portfolio rotated approximately 10% out of value-oriented sectors — Healthcare and Energy — to rebuild exposure to growth at compressed valuations. Technology, Consumer Discretionary, and Communication Services sold off amid geopolitical uncertainty and concerns around AI software monetization, but underlying earnings estimates held firm or were revised higher. Nasdaq-100 NTM EPS growth sits at 27% with net margins at 20%, and Technology trades at parity with the broader market on a forward P/E basis for the first time since 2019.*

**All valuation metrics per FactSet Data*



Investors should carefully consider the investment objectives, risks, charges and expenses of the Main Sector Rotation ETF. This and other important information about the Fund is contained in the prospectus, which can be obtained by calling 1-866-383-9778. The prospectus should be read carefully before investing. The Main Sector Rotation ETF is distributed by Northern Lights Distributors, LLC, Member FINRA/SIPC. Main Management ETF Advisors, LLC is not affiliated with Northern Lights Distributors, LLC.

FUND'S RISK DISCLOSURES There is the risk that you could lose money through your investment in the Fund. There is no guarantee that any investment strategy will achieve its objectives, generate profits or avoid losses. The Fund may have significant exposure to a limited number of issuers conducting business in the same sector or group of sectors. Market conditions, interest rates, and economic, regulatory, or financial developments could significantly affect a single sector or a group of sectors. ETF's are subject to specific risks, depending on the nature of the underlying strategy of the fund. These risks could include liquidity risk, sector risk, as well as risks associated with fixed income securities, real estate investments, and commodities, to name a few. As a seller (writer) of a put option, the Fund will tend to lose money if the value of the reference index or security falls below the strike price. As the seller (writer) of a call option, the Fund may experience lower returns if the value of the reference index or security rises above the strike price. Investments in foreign securities could subject the Fund to greater risks including, currency fluctuation, economic conditions, and different governmental and accounting standards. The earnings and prospects of small and medium sized companies are more volatile than larger companies and may experience higher failure rates than larger companies.

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